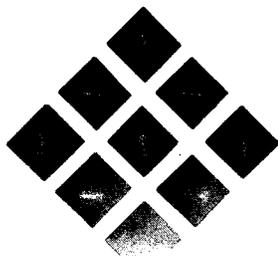


July 12, 1994

ACWA



John Caffrey, Chair
State Water Resources Control Board
901 P Street
Sacramento, CA 95814

Dear Mr. Caffrey:

For its July 13 workshop, the State Water Resources Control Board (Board) has asked respondents to provide input on three key issues: what standards should be set; how social and economic effects should be determined; and whether the CVP and SWP should be asked to implement portions of the standards prior to a water rights decision.

Regarding the first issue, the Association of California Water Agencies (ACWA) has been asked by a large working group of urban and agriculture water agency representatives to submit to the Board the document attached hereto, entitled "Framework of a Comprehensive Protection Program for the San Francisco Bay-Delta Ecosystem".

There appears to be an emerging consensus among key water user groups on a comprehensive plan to address improvements in the Bay-Delta. The enclosed framework is an outline of that plan. It is important to note three characteristics of this document.

1. This document summarizes, but does not detail the comprehensive plan it describes. Many of the details are still being developed by those who have helped develop the plan. Some of those details will be worked out within a matter of a few weeks. Others will take months or even years to develop.
2. This document represents an emerging consensus among the key water user groups. It represents the views of many, but by no means all, of the state's water interests. Those who have been involved in development of the plan are prepared to work with the Board and other interested parties to more fully develop this framework and broaden the consensus that it represents.
3. This document, though it does not contain all of the details of the plan, and does not represent complete consensus, represents an unprecedented commitment on behalf of the water user community to the development of a comprehensive and lasting solution to the environmental and water supply problems in the Bay-Delta Estuary.

ASSOCIATION OF
CALIFORNIA
WATER AGENCIES

*a non-profit corporation
since 1910*

910 K STREET, SUITE 250
SACRAMENTO, CA 95814-3577
(916) 441-4545
FAX - (916) 441-7893

HALL OF THE STATES
444 N. CAPITOL ST., N.W.
SUITE 326 NORTH
WASHINGTON, D.C. 20001-1512
(202) 434-4760
FAX - (202) 434-4763

Page 2
July 12, 1994
John Caffrey

This proceeding is at a critical stage. Very soon, the Board and its staff will take the input from the workshops and begin formulating the draft scheduled for December 15. A key component of this draft will be water quality standards. We recommend that the Board broaden its December 15 draft to include other elements of a comprehensible plan as described in the attached framework. Within the next few weeks, we expect to submit recommendations for not only the water quality standards but also other elements of the plan. Because this additional input will be forthcoming in the very near future we respectfully but strongly urge the Board to schedule an additional workshop late in August. We believe this additional workshop will provide an important opportunity for water user groups to broaden the consensus and build on the recommendations they have been able to make to date, and will provide important additional information to the Board and its staff.

Regarding issues two and three, attached hereto as a separate document is the testimony of ACWA regarding the standards-induced economic impacts that should be analyzed and quantified by the Board. This testimony includes recommendations regarding the assumptions that should go into any modeling of economic impacts. It also includes a description of a joint study to be completed by ACWA and the Northern California Power Authority on the projected impacts of standards to hydropower generation in California.

We hope and trust this input and request for an additional workshop will be considered in the proactive and cooperative spirit in which it is submitted.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen K. Hall', with a long horizontal line extending to the right.

Stephen K. Hall
Executive Director

SKH:LR

**FRAMEWORK OF A
COMPREHENSIVE PROTECTION PROGRAM
for the
SAN FRANCISCO BAY-DELTA ECOSYSTEM
presented to
THE STATE WATER RESOURCES CONTROL BOARD
July 12, 1994**

At the request of the State Water Resources Control Board, agricultural and urban water users have been working together to develop a comprehensive program to present to the Board. We have been making substantial progress toward drafting such a program. A number of water agencies have joined in preparing this draft description of the framework. Some of these agencies may recommend more specific elements of this program at your July workshop and in the following weeks. We continue to work jointly on a more detailed program, and when we reach consensus on it, we will forward it to the Board immediately.

We are also pursuing consensus with environmental interests. We look forward to working with your staff as the comprehensive program is developed and hope to present this program later this year with broad support. We urge the Board to adopt the Comprehensive Protection Program early in 1995, with water quality and/or Delta outflow standards as its initial keystone, even though some elements of the program will take longer to develop in detail.

BACKGROUND

The Bay-Delta system is highly altered, beginning with the conversion of the Delta from marshland to islands in the last century. The changes have continued and have been significant, including the years of hydraulic mining and resultant siltation, the continual introduction of exotic species, the variations in fishing pressure, the increase and then substantial progress toward clean-up of point source pollution, the increase and changes in pesticide use, and, of course, the development of the Central Valley water resources system, including the build-up in exports from the southern Delta.

The period since the 1976-77 drought has been of particular concern. During that period, declines have occurred in the populations of several species of fish. Two of these, the winter-run salmon and the Delta smelt have been listed under the federal and state endangered species acts and proposals have been received for listing of additional species.

Water development and increased CVP/SWP exports from the southern Delta have clearly contributed to the decline in fishery resources. These impacts must be addressed through a comprehensive program that includes water quality standards, outflow requirements, and controls on water project operations.

In addition, to better ensure success, we believe there must be controls on other factors. The decline in fishery resources has occurred in an already highly altered ecosystem. It is likely that the more recent changes in water project operations have had greater adverse effects than they otherwise would have had without these prior alterations. For example, if the Delta were still a marsh, the upstream location of the 2 ppt salinity level in the spring might not have significant adverse effects on species requiring shallow water habitat near that salinity.

The environmental constraints placed on water projects are of concern to water agencies for two reasons:

First, they do not address the other factors, beside water project operations, contributing to the decline of fishery resources. Therefore, water quality standards, outflow requirements, or constraints on water project operations, by themselves, are an incomplete solution to the problem and, by themselves, would not result in recovery of aquatic resources. Early promulgation of water quality standards, outflow requirements, and operational constraints should be accompanied by repaid progress on other factors.

Second, by curtailing project operations, the fishery protection requirements limit water deliveries, resulting in water shortages, even in wet years. Also, there is uncertainty inherent in the requirements. Water users do not know what the requirements will be from year to year. Once the requirements are set for the year, there is still uncertainty about their effect (e.g., take limits). Also fishery protections severely constrain current opportunities for water transfers and future opportunities for water banking, two environmentally acceptable ways to make up for some of the shortages. Finally, failure to address other factors could, in the extreme, result in future additional constraints on water project operations without providing the needed level of protection to the fishery resources.

GENERAL DESCRIPTION OF A COMPREHENSIVE PROGRAM FOR THE DELTA SUISUN BAY SYSTEM.

We support a comprehensive program with control measures falling into three categories.

Category I: Additional standards controlling Suisun Bay or estuarine salinity or Delta overflow.

These consist of some form of supplemental Delta outflow requirements or estuarine habitat standard in addition to the roughly 5 MAF/yr of outflow already required in D-1485, incorporating a sliding scale and various other features about which there is much consensus.

Category II: Conventional controls on water project operations.

- Direct and indirect export curtailments
- Cross Channel Gate closures
- Delta inflow requirements, including requirements for pulse flows
- Temperature control requirements for upstream reservoir releases.

Category II would include some version of those requirements already found in D-1485, the Corps of Engineers permit conditions, the DWR/DFG agreement, and the two reasonable and prudent alternatives and incidental take limits for winter-run salmon and Delta smelt but would be fashioned in a manner to provide broad protection to aquatic resources rather than directed only at individual species.

Category III: Controls on other important factors. For each of these other factors, we would provide:

- Documentation that the factor is important
- A program to be implemented by the Board or by other agencies leading to effective control of the factor.

These other important factors include the following:

- Toxics, including pesticides
- Unscreened Delta and upstream diversions
- Legal fishing
- Illegal fishing (poaching)
- Point and non-point sources of pollutants
- Land-derived salt discharges to the southern Delta
- Channel alterations, such as dredging
- Species management, such as striped bass enhancement programs
- Exotic (introduced) species
- Re-establishment of shallow water and riparian habitat in and upstream of the Delta
- Improvements in instream conditions for the spawning of fish.

Category III includes certain actions identified in the San Francisco Estuary Project Comprehensive Conservation and Management Plan to address the decline in aquatic resources in the Bay-Delta ecosystem.

ADOPTION AND IMPLEMENTATION

We propose that the Board adopt this Comprehensive Protection Program, including those elements that cannot be implemented under the Board's direct water rights and water quality authority. For those elements outside the Board's direct authority, we recommend that the Board use its considerable influence to cause implementation by those agencies with direct authority to implement.

This Comprehensive Protection Program must accomplish the following:

- Provide a long-range plan for the Bay-Delta system
- Provide for the early improvement in the fishery habitat to reverse the decline in native fishery resources

- **Provide environmental protection sufficient to:**
 - Eliminate the need for jeopardy opinions for operation of the state and federal water projects
 - Eliminate the need for listing of additional species for protection under the state and federal Endangered Species Acts
 - Ultimately, allow recovery of listed species and their subsequent de-listing.
- **Accomplish these goals in a manner which causes the least possible water supply impact.**

In developing this comprehensive program, the Board must include measures and incentives to ensure the full, equitable participation by all parties contributing to the decline in fishery resources as well as state and federal agencies that have a role in management of the Bay-Delta system.

As for implementation, some of the elements, particularly those in Category I, should be considered for implementation on a phased basis, with the state and federal water projects agreeing to meet their equitable share of the responsibility on an interim basis in early 1995, pending the results of water rights proceedings. Requirements similar to those in Category II are already in effect as part of D-1485 and the ESA requirements. Changes to those requirements in the comprehensive program would be implemented at the conclusion of the water rights proceeding by the Board.

We encourage vigorous action by the Board to implement Category III measures. Such action could include some forms of pollutant trading and mitigation credits to facilitate and make more equitable implementation of these measures.